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FBI's Webster Says He May Have Been 'Negligent' in the Investigation of North

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WASHINGTON—William Webster, director of the Federal Bureau of Investigation, acknowledged that he may have been "negligent" in failing to pursue early hints of possible criminal violations by Lt. Col. Oliver North.

Despite the early warnings, Mr. Webster told lawmakers yesterday that he deferred to Attorney General Edwin Meese and kept the FBI largely on the sidelines for nearly a month, until the suspected diversion of funds in the Iran-Contra scandal was disclosed and the bureau started a full-fledged criminal investigation.

In wide-ranging testimony before the Senate Intelligence Committee, Mr. Webster disclosed that last Oct. 30 he received an internal FBI memo indicating that Col. North's efforts to help Nicaraguan insurgents "might be involved in a future criminal probe" by an independent prosecutor. The document, which Mr. Webster initialed but told lawmakers yesterday that he couldn't recall and considered "speculative," also recommended withholding certain intelligence information from Col. North, the National Security Council aide who was later fired.

Accepts 'Negligent' Judgment

In response to questions about why the memo didn't raise warning flags among senior FBI managers, Mr. Webster said, "If you want to call it a serious matter and call me negligent, I'll accept your opinion."

Mr. Webster's day-long testimony, in a hearing on his nomination to head the Central Intelligence Agency, was studded with other disclosures of early FBI suspicions about Col. North's activities. He also gave new details of efforts by Mr. Meese and then-National Security Adviser John Poindexter to sidetrack criminal investigations that threatened to expose the Reagan administration's secret Iran initiative.

Mr. Webster, who is expected to be confirmed to the CIA post, sharply criticized some of the Reagan administration's legal justifications for the arms sales. He pledged to keep Congress better informed about covert operations and to resign if the president wouldn't allow him to do so. And he acknowledged that, in hindsight, he and other senior FBI officials "should have been more aggressive in more rapidly" securing documents and other evidence.

Mr. Webster said the information in the memo was based on newspaper accounts and reflected opinions at "very low levels" of the Justice Department. The committee

didn't release the document or disclose who wrote it. But law enforcement officials said the memo reflected the views of Mary Lawton, head of the department's Office of Intelligence Policy and Review. They said that Mr. Webster concurred in the recommendation, but didn't make the decision.

'Unusual' Request From Meese

The memo to Mr. Webster came the same day that the FBI chief agreed to what he told lawmakers was an "unusual" request from Mr. Meese to delay portions of an FBI criminal inquiry into Southern Air Transport, the Miami-based cargo airline involved in hauling weapons to Iran and to the Nicaraguan rebels, or Contras. The original request for a delay was made by Adm. Poindexter to Mr. Meese.

But Mr. Webster testified that he didn't recall the memo three weeks later, when he and Mr. Meese decided that an informal fact-finding effort was appropriate to try to sort out the Iran-Contra affair.

By the time a formal criminal investigation was launched on Nov. 26, various White House documents had been destroyed or altered, according to congressional and criminal investigators.

Webster Didn't Submit Memo

The classified memo was provided to the Intelligence Committee by Lawrence Walsh, the independent counsel who is looking into the affair, but several lawmakers complained that Mr. Webster should have submitted it on his own.

Sen. Arlen Specter (R., Pa.) said the memo's message was a "fairly significant matter" that should have prompted Mr. Webster to be more vigilant. Sen. David Boren (D., Okla.), the committee's chairman, told reporters that the memo, while it doesn't directly indicate mistakes by the FBI, "has some bearing on what information Mr. Webster might have considered" when discussing the Iran-Contra affair with his boss, the attorney general.

Describing the early phases of the Iran-Contra inquiry before the FBI became involved, Mr. Webster said he "had no reason to believe" that Col. North or anyone else would try to destroy evidence. "If that was naive, I confess to it." At another point in the hearing, Mr. Webster said "I won't quarrel with" assertions that White House files should have been safeguarded earlier by the FBI.

In spite of Mr. Webster's conciliatory tone and the generally sympathetic reaction of lawmakers, the testimony and documents released yesterday by the commit-

tee could create further problems for the Reagan administration. Among other things, the hearing disclosed that:

—FBI officials last fall had two separate criminal investigations under way involving Southern Air, and one Justice Department document described lower-level FBI officials as "anxious to resume" their efforts.

—At Adm. Poindexter's urging, Mr. Meese also called Treasury Secretary James Baker with the intention of delaying a separate Customs Service investigation of the airline. A Treasury spokesman said that Mr. Baker recalled that the attorney "raised the subject of a Customs Service investigation" with him, but "no action was taken by the secretary."

—Months before the Iran-Contra scandal erupted, Mr. Webster told lawmakers, he was concerned that Col. North's "gung-ho" personality and "influence" at the White House, coupled with a "freewheeling kind of atmosphere" there, could result in "something foolhardy" taking place without proper approval. Mr. Webster said he expressed "some anxiety" to Mr. Meese about Col. North's judgment, suggesting that senior administration officials needed to "stay on top of what was happening at the National Security Council to make sure that nothing got out of hand."

—Mr. Webster regarded as "damage control, nothing less," the arguments of former CIA General Counsel Stanley Sporkin upholding the legality of retroactive presidential approval of arms sales to Iran. And Mr. Webster said he would have resigned rather than follow orders to withhold congressional notification about the arms sales for nearly a year, as former CIA Director William Casey did.

—Mr. Webster views the NSC as lacking the "capability and the institutional experience" to run covert operations. Calling the Iran initiative "ill-advised," Mr. Webster said he intends to prevent such mistakes by making the CIA less political and providing intelligence assessments "with all the integrity I know how."

—After deciding Nov. 25 to launch a full-fledged criminal investigation, according to newly released testimony Mr. Meese gave the committee behind closed doors last year, Mr. Meese discussed the matter "in general terms" with President Reagan. Mr. Webster told the committee that it wasn't until later that day that the White House counsel's office made certain that files pertaining to the investigation were sealed.